TABLE 3

RECESSION-RECOVERY STATUS UP TO 45 MONTHS AFTER THE BUSINESS CYCLE TROUGH
Differences from Trough Levels

	Unit	Months After Business Cycle Trough	Expansions Starting FEB. 1961	Expansions Starting MAR. 1975	Average (1961, 1975)	Current Expansion Starting Nov. 1982	Last Month or Quarter Available
I. Composite Indexes							
6. BUSINESS WEEK LEADING INDEX, GROWTH RATE	%	47	-1.3	10.3	4.5	7.1	OCT
6A. N.A.P.M. INDEX, GROWTH RATE	%	47	10.8	23.3	17.0	8.7	OCT
7. LEADING EMPLOYMENT INDEX, GROWTH RATE	%	46	8.5	13.2	10.9	3.7	SEPT
8. COINCIDENT EMPLOYMENT INDEX, GROWTH RATE	%	46	15.5	24.3	19.9	10.4	SEPT
9. LEADING INDEX, GROWTH RATE.	%	46	6.2	15.9	11.0	0.3	SEPT
10. COINCIDENT INDEX, GROWTH RATE	%	46	16.2	22.0	19.1	8.2	SEPT
11. DIFFUSION INDEX OF LEADING INDICATORS	% RISING	46	43.3	32 7	38.0	15.3	SEPT
13. RATIO, COINCIDENT TO LAGGING INDEX	1967=100	46	11.1	28.6	19.8	12.9	SEPT
15. EIGHT-COUNTRY LEADING INDEX, GROWTH RATE	%	44	-2.7	20.0	8.6	4.6	JULY
II. Output, Income and Sales							
17. REAL GNP GROWTH RATE	%	15Q	2.9	11.0	7.0	3.2	Q3
III. Employment and Unemployment							
23. EMPLOYMENT TO POPULATION RATIO	%	46	0.1	3.8	2.0	3.8	SEPT
28. EMPLOYMENT DIFFUSION INDEX, 186 INDUS.	% RISING	46	62.3	64.1	63.2	26.8	SEPT
29. UNEMPL. SEVERITY INDEX WEEKS PER 100 IN LABOR FORCE		46	-30.6	-36.8	-33.7	-77.6	SEPT
30. UNEMPLOYMENT RATE: TOTAL	%	46	-1.8	-2.5	-2.2	-3.6	SEPT
31. UNEMPLOYMENT RATE: INSURED	%	46	-2.9	-3.2	-3.0	-2.1	SEPT
33. SHORT-DURATION UNEMPLOYMENT RATE	%	46	-1.1	-1.5	-1.3	-1.5	SEPT
34. LAYOFF RATE UNDER 5 WEEKS TIMES 10	%	46	-2.7	-4.1	-3.4	-4.3	SEPT
35. PART-TIME EMPLOYMENT RATIO	%	46	1.3	0.9	1.1	0.6	SEPT
IV. Investment Commitments and Inventories							
42. INVENTORY/SALES RATIO TIMES 10	%	44	1.0	-1.8	-1.4	-1.6	JULY
43. CHANGE IN INVENTORIES ON HAND & ON ORDER	BIL. 82$.	44	60.5	103.4	81.9	31.5	JULY
V. Productivity, Wages, Costs, Prices and Profits							
44. OUTPUT PER HOUR, GROWTH RATE	%	15Q	0.6	1.3	0.9	-0.3	Q3
45. UNIT LABOR COSTS, GROWTH RATE	%	15Q	0.3	-3.4	-1.5	-3.4	Q3
46. HOURLY COMPENSATION, GROWTH RATE	%	15Q	0.3	-3.4	-1.5	-3.4	Q3
47. REAL HOURLY COMPENSATION, GROWTH RATE	%	15Q	1.0	-0.5	0.2	-0.9	Q3
48. SELLING PRICE INDEX, GROWTH RATE	%	15Q	1.6	-5.3	-1.8	-2.1	Q3
49. GROWTH IN PRICES MINUS GROWTH IN COSTS	% POINTS	15Q	1.3	-1.9	-0.3	1.3	Q3
50. CORPORATE PROFIT MARGIN	%	14Q	3.3	2.8	3.1	4.5	Q2
51. PRICE/LABOR COST RATIO	1977=100	15Q	3.8	2.2	3.0	3.6	Q3
55. CONSUMER PRICE INDEX, GROWTH RATE	%	46	-0.1	-0.3	-0.2	-2.6	SEPT
57. INDUSTRIAL MAT. PRICE INDEX, GROWTH RATE	%	47	9.5	30.8	20.2	4.9	OCT
58. IMPORT PRICES EXCL. FUELS, GROWTH RATE	%	46	3.6	-4.4	-0.4	11.6	Q3(SEPT)
59. ANTICIPATED SELLING PRICES (D&B SURVEY)	% RISING	46	4.0	13.3	8.7	-6.7	Q3(SEPT)
VI. Money, Credit, Interest Rates and Stock Prices							
60. BUSINESS & CONSUMER DEBT, GROWTH RATE	%	45	3.6	8.7	6.1	6.5	AUG
61. FEDERAL DEBT, GROWTH RATE	%	46	2.7	-4.0	-0.7	-6.8	SEPT
62. TOTAL DEBT, GROWTH RATE	%	45	4.0	5.7	4.8	3.8	AUG
63. MONEY SUPPLY (M1), GROWTH RATE	%	46	3.4	3.5	3.5	5.4	SEPT
64. MONEY SUPPLY (M2), GROWTH RATE	%	46	1.9	0.4	1.2	-0.1	SEPT
65. TREASURY BILL RATE (3-MONTH)	%	46	1.5	3.8	2.7	-2.7	SEPT
66. NEW CORPORATE BOND YIELD (AA)	%	46	0.0	0.1	0.1	-2.9	SEPT

RECESSION-RECOVERY CHARTS

———— Current recovery to date (business cycle trough: November 1982 or IV Q 1982)

#################### Average of two very long recoveries (1961-69, 1975-80)

How to Read the Charts

The charts show how the current recovery, dated from November 1982, compares with the average previous recovery over the same length of time. They also show how the average previous recovery developed beyond the present point, and hence what a forecast based on that average would look like. Forecasts based upon other information can be evaluated against this background. One can see easily where new figures or forecasts would be placed.

The horizontal time scale in each chart shows the number of months before (-) or after (+) the business cycle trough (0). For the current cycle November 1982 is zero, May 1983 is Month 6, etc. The vertical scale on the left side of most charts is an index with the three-month average centered on the business cycle trough date equal to 100. This three-month average is called the trough standing. For the current cycle, the figures plotted are indexes with the October to December 1982 average equal to 100. Each of the previous cycles are converted to indexes in the same way, and then the corresponding months are averaged for the two very long cycles, 1961-80. Quarterly series (e.g., GNP) are treated in the same way as monthly except that quarterly business cycle trough dates are used and each quarter is plotted as a horizontal line for three months.

When the figures are percentages, ratios or changes (e.g., the unemployment rate or GNP growth rate, employment to population ratio, or change in inventories), the charts show actual levels of the data, rather than deviations from trough standings.

On all charts the right-hand scale applies to the current cycle. This scale shows how the averages for previous recoveries translate to current levels. The November 1982 trough standing for the current cycle is shown at the bottom of the chart for reference.

The averages, which extend out to four years after the trough, include the 1961-69 and 1975-80 recoveries, which lasted 106 and 58 months, respectively. The 1949-53, 1954-57, 1958-60, 1970-73 and 1980-81 recoveries, which lasted 45, 39, 24, 36 and 12 months respectively, are excluded to avoid including the subsequent recessions in the averages.

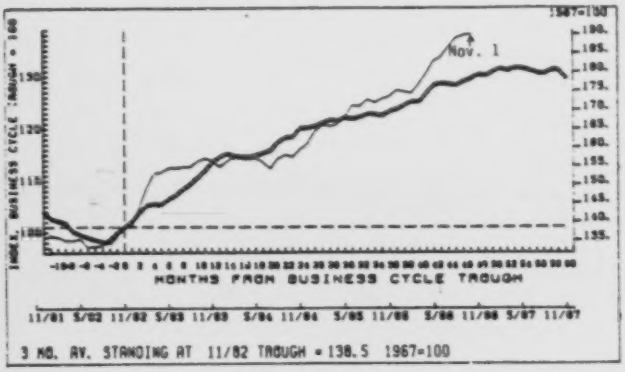
All the growth rates shown are six-month smoothed rates (or two-quarter smoothed), obtained by dividing the current month's figure by the average for the twelve preceding months, and expressing the result as a compound annual rate.

Data in some charts are a month or a quarter more up-to-date than in the preceding three tables.

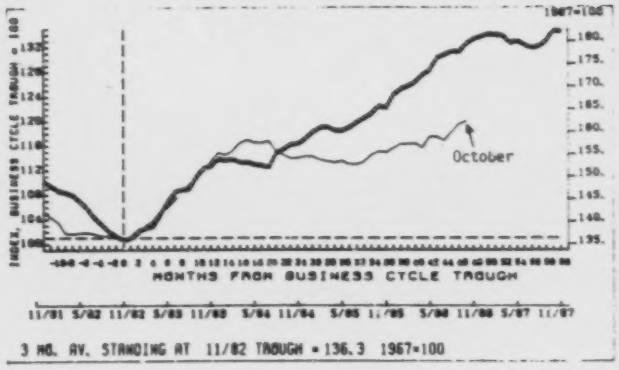
In the charts, growth rate is abbreviated to "G.R."

COMPOSITE INDEXES

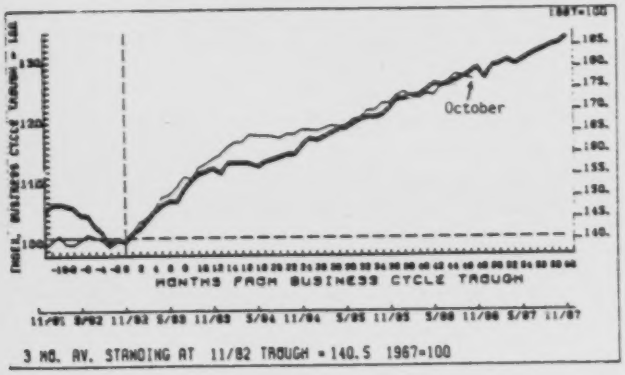
1. BUSINESS WEEK LEADING INDEX (CIBCR)



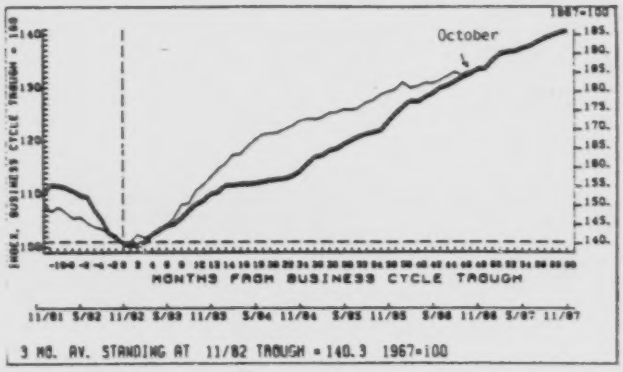
1A. N. A. P. M. LEADING INDEX



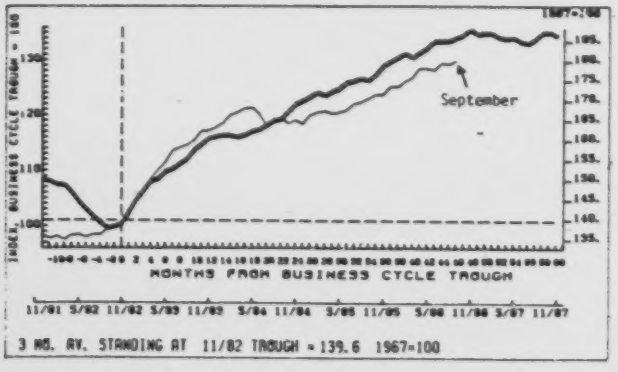
2. LEADING EMPLOYMENT INDEX (CIBCR)



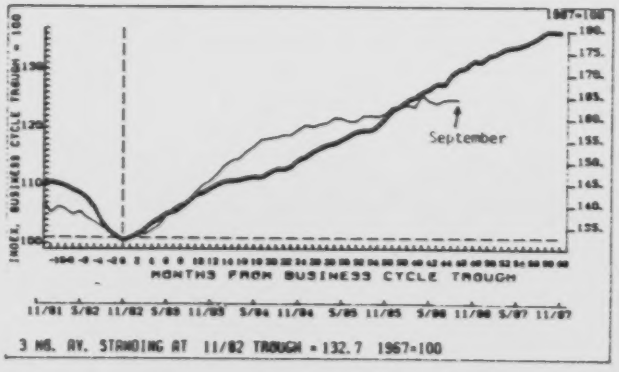
3. COINCIDENT EMPLOYMENT INDEX (CIBCR)



4. LEADING INDEX (BCD)

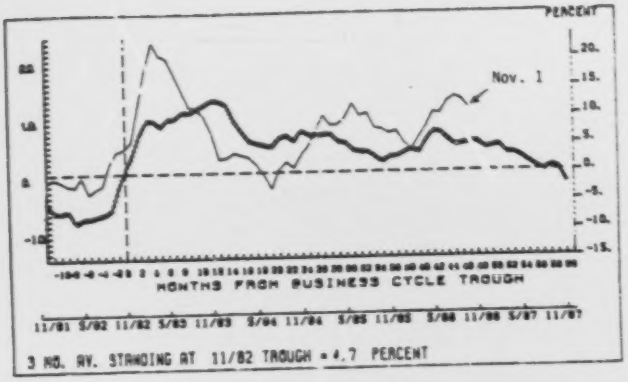


5. COINCIDENT INDEX (BCD)

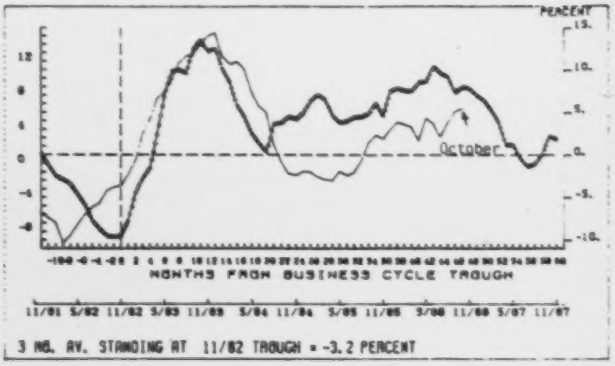


COMPOSITE INDEX GROWTH RATES

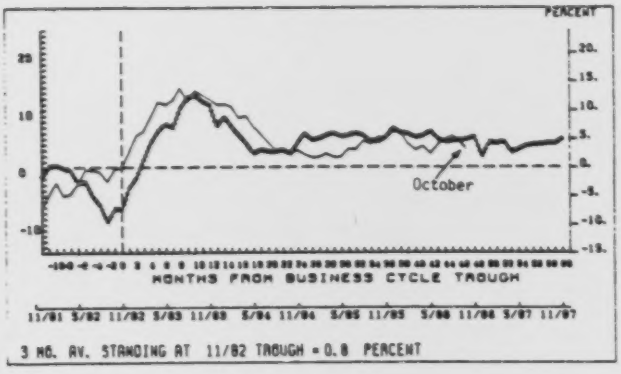
6. BUSINESS WEEK LEADING INDEX, G. R.



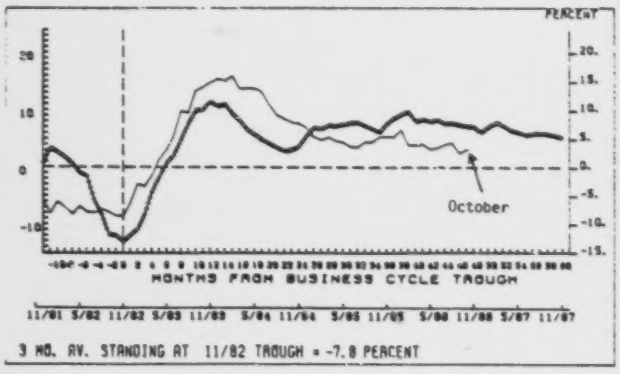
6A. N. A. P. M. LEADING INDEX, G. R.



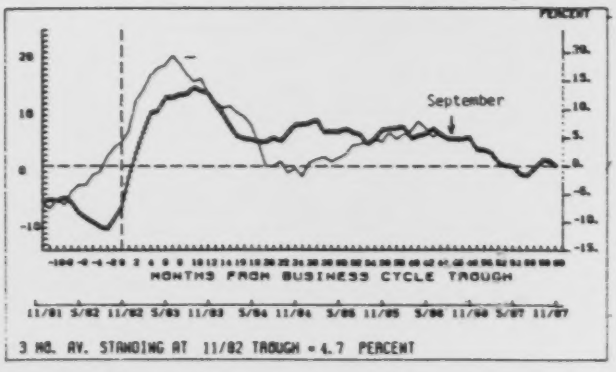
7. LEADING EMPLOYMENT INDEX, G. R.



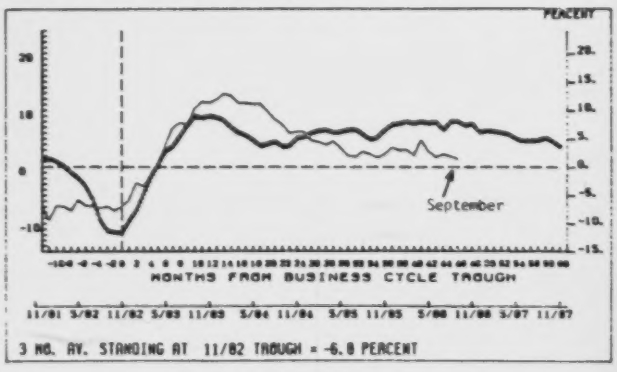
8. COINCIDENT EMPLOYMENT INDEX, G. R.



9. LEADING INDEX, G. R. (BCD)

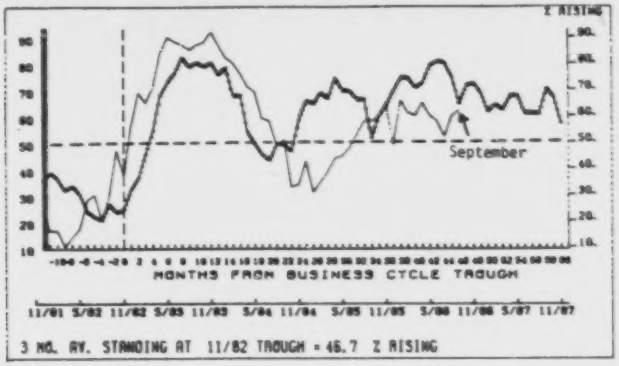


10. COINCIDENT INDEX, G. R. (BCD)

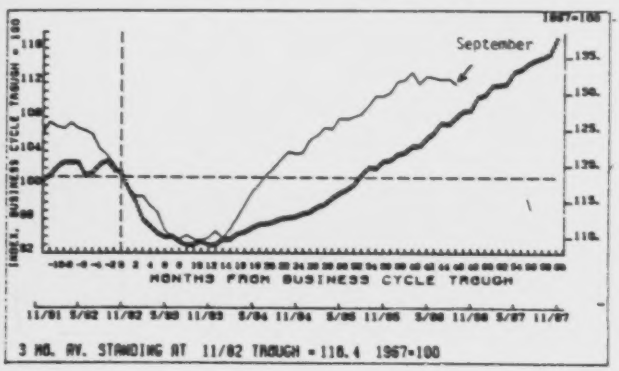


OTHER COMPOSITE INDEXES

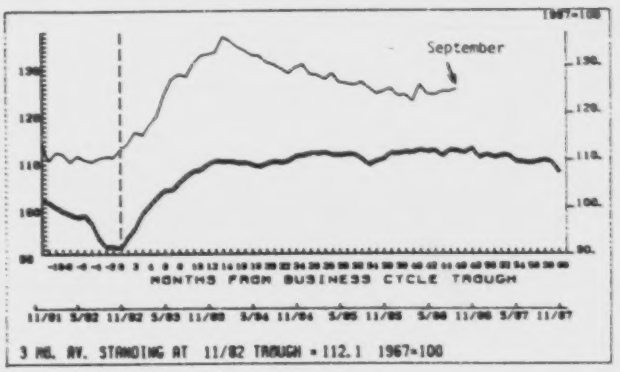
11. DIFFUSION INDEX OF LEADING INDICATORS (CIBCR)



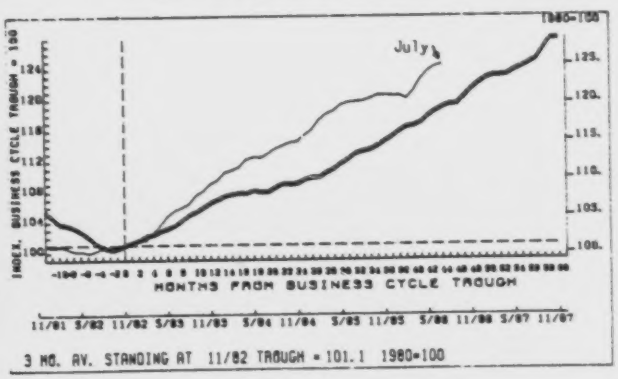
12. LAGGING INDEX (BCD)


1967=100
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 118.4 1967=100

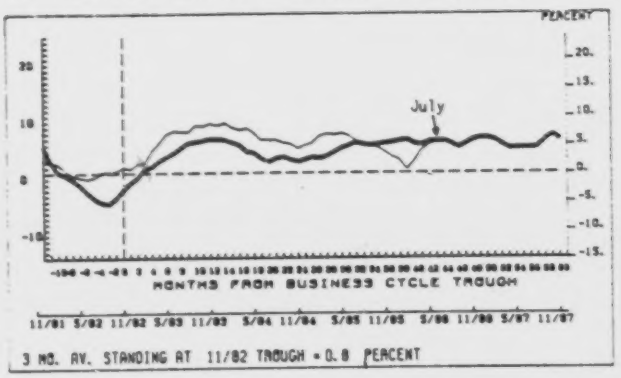
13. RATIO, COINC. TO LAGGING INDEX



14. 8-COUNTRY LEADING INDEX (CIBCR) *


1980=100
INDEX, BUSINESS CYCLE TROUGH = 100
July
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 101.1 1980=100

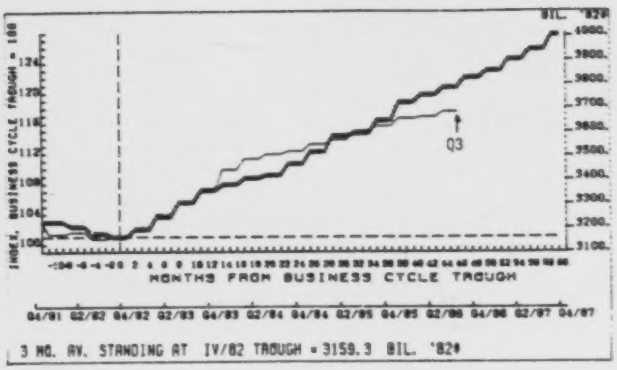
15. EIGHT-COUNTRY LEADING INDEX, G.R.



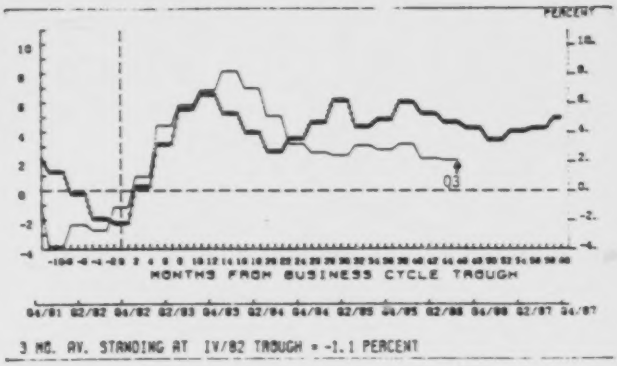
*Canada, United Kingdom, West Germany, France, Italy, Japan, Australia & Taiwan.

OUTPUT, INCOME AND SALES

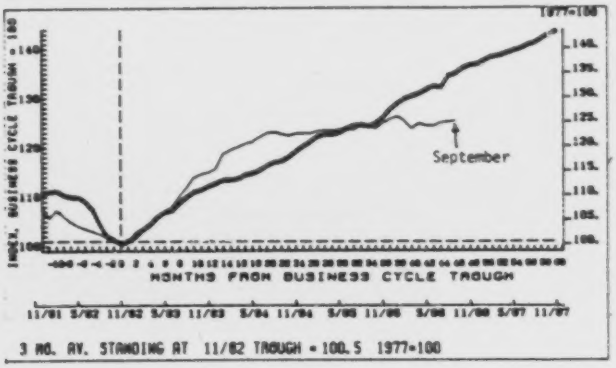
16. REAL GNP



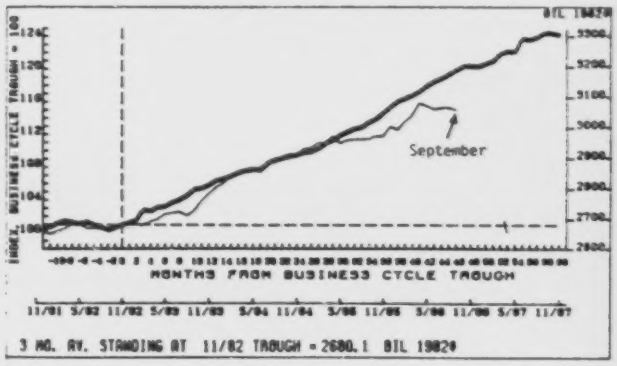
17. REAL GNP, GROWTH RATE



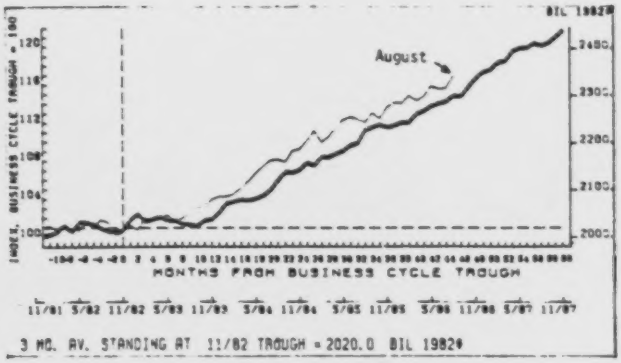
18. INDUSTRIAL PRODUCTION INDEX


1977=100
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 100.5 1977=100

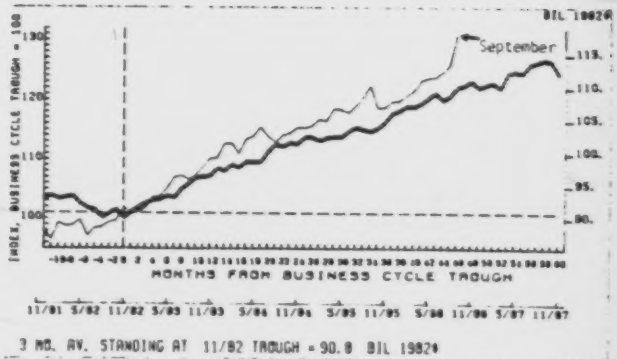
19. REAL PERSONAL INCOME


BIL. 1982$
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 2680.1 BIL 1982$

20. REAL CONSUMER EXPENDITURES

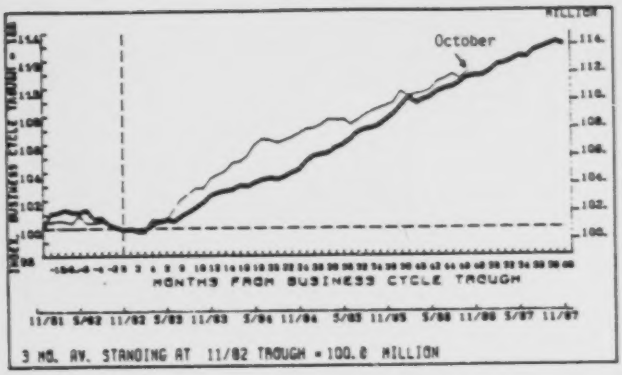

BIL 1982$
INDEX, BUSINESS CYCLE TROUGH = 100
August
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 2020.0 BIL 1982$

21. REAL RETAIL SALES

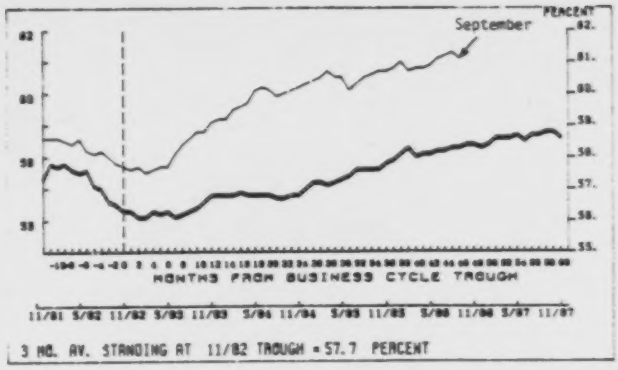

BIL 1982$
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 90.8 BIL 1982$

EMPLOYMENT

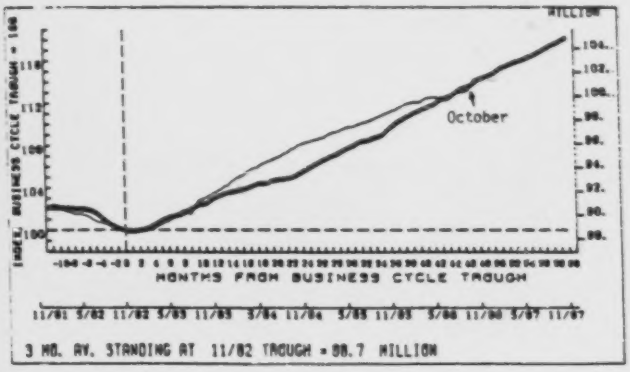
22. TOTAL EMPLOYMENT



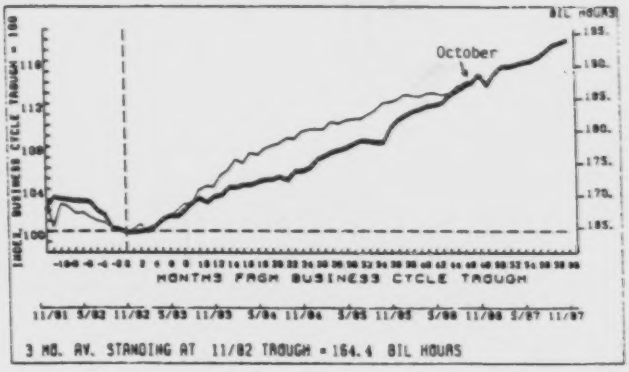
23. EMPLOYMENT TO POPULATION RATIO



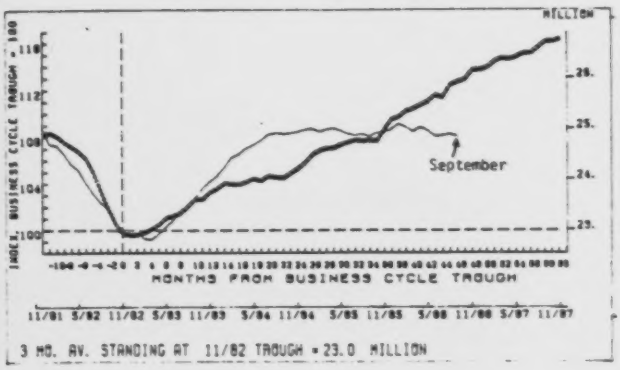
24. NONFARM EMPLOYMENT



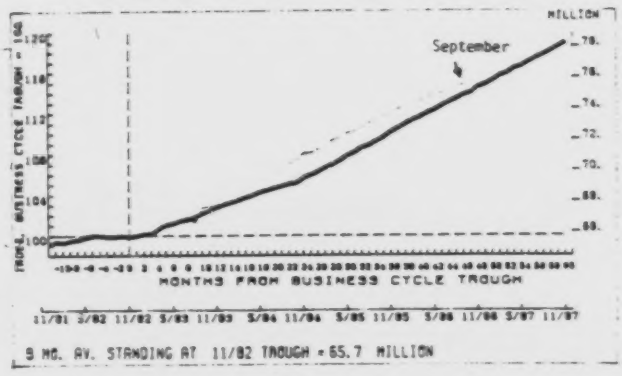
25. NONFARM EMPLOYEE HOURS



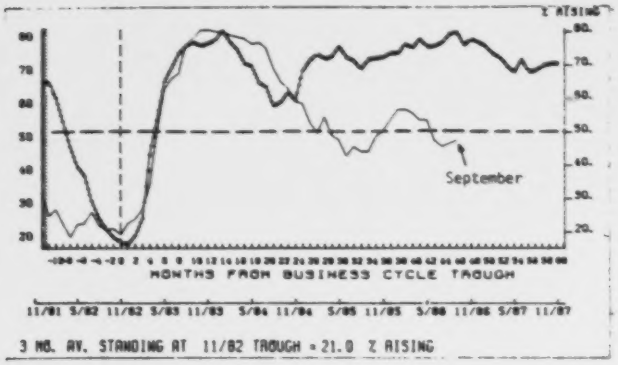
26. EMPLOYMENT IN GOODS-PROD. INDUS.



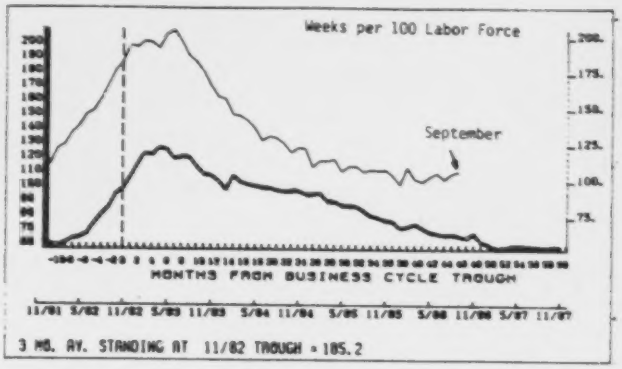
27. EMPLOYMENT IN SERVICE-PROD. INDUS.



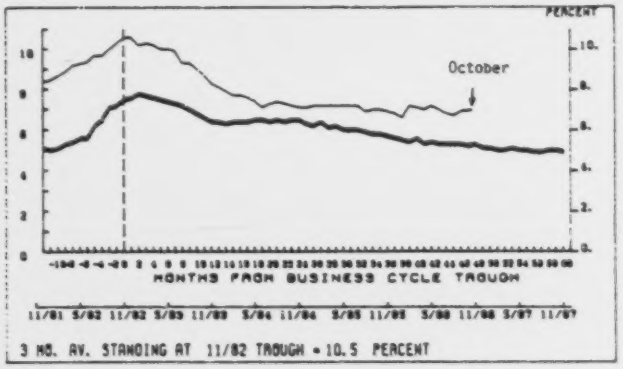
28. EMPLOY. DIFFUS. INDEX, 186 INDUS.


% RISING
September
MONTHS FROM BUSINESS CYCLE TROUGH
11/81 5/82 11/82 5/83 11/83 5/84 11/84 5/85 11/85 5/86 11/86 5/87 11/87
3 MO. AV. STANDING AT 11/82 TROUGH = 21.0 % RISING

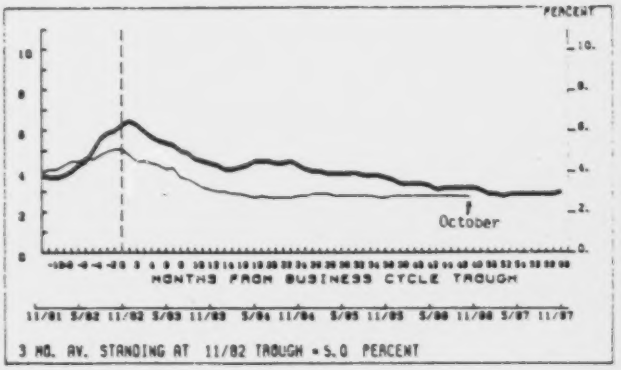
29. UNEMPLOYMENT SEVERITY INDEX


Weeks per 100 Labor Force
September
MONTHS FROM BUSINESS CYCLE TROUGH
11/81 5/82 11/82 5/83 11/83 5/84 11/84 5/85 11/85 5/86 11/86 5/87 11/87
3 MO. AV. STANDING AT 11/82 TROUGH = 185.2

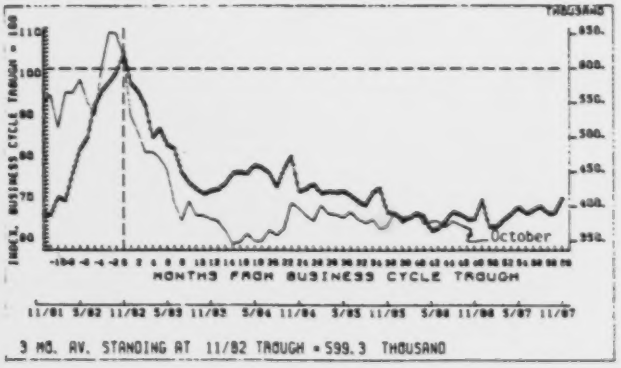
30. UNEMPLOYMENT RATE: TOTAL


PERCENT
October
MONTHS FROM BUSINESS CYCLE TROUGH
11/81 5/82 11/82 5/83 11/83 5/84 11/84 5/85 11/85 5/86 11/86 5/87 11/87
3 MO. AV. STANDING AT 11/82 TROUGH = 10.5 PERCENT

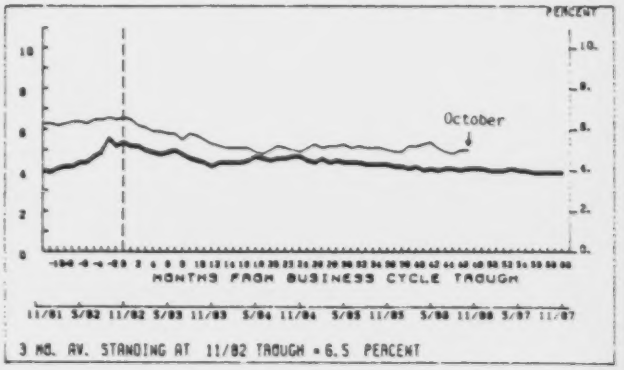
31. UNEMPLOYMENT RATE: INSURED


PERCENT
October
MONTHS FROM BUSINESS CYCLE TROUGH
11/81 5/82 11/82 5/83 11/83 5/84 11/84 5/85 11/85 5/86 11/86 5/87 11/87
3 MO. AV. STANDING AT 11/82 TROUGH = 5.0 PERCENT

32. INITIAL CLAIMS, UNEMPLOY. INSUR.

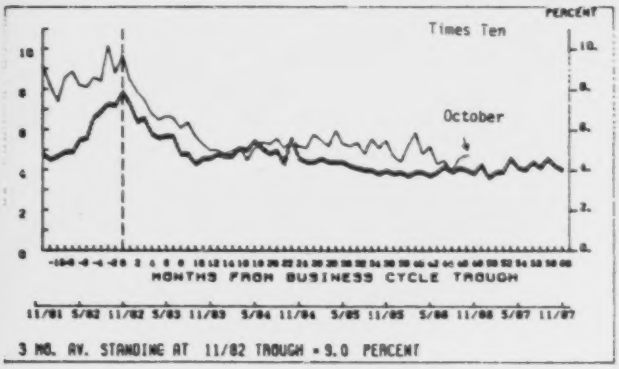

THOUSANDS
INDEX, BUSINESS CYCLE TROUGH = 100
October
MONTHS FROM BUSINESS CYCLE TROUGH
11/81 5/82 11/82 5/83 11/83 5/84 11/84 5/85 11/85 5/86 11/86 5/87 11/87
3 MO. AV. STANDING AT 11/82 TROUGH = 599.3 THOUSAND

33. SHORT-DUR. UNEMPLOYMENT RATE

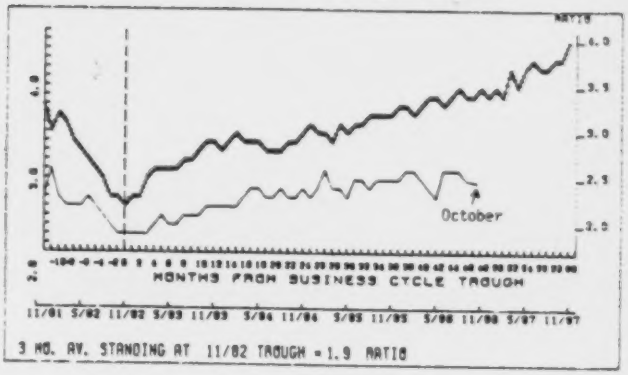

PERCENT
October
MONTHS FROM BUSINESS CYCLE TROUGH
11/81 5/82 11/82 5/83 11/83 5/84 11/84 5/85 11/85 5/86 11/86 5/87 11/87
3 MO. AV. STANDING AT 11/82 TROUGH = 6.5 PERCENT

OTHER LEADING EMPLOYMENT INDICATORS

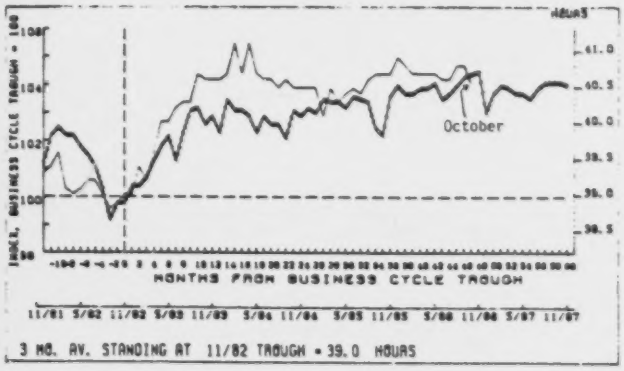
34. LAYOFF RATE UNDER 5 WEEKS



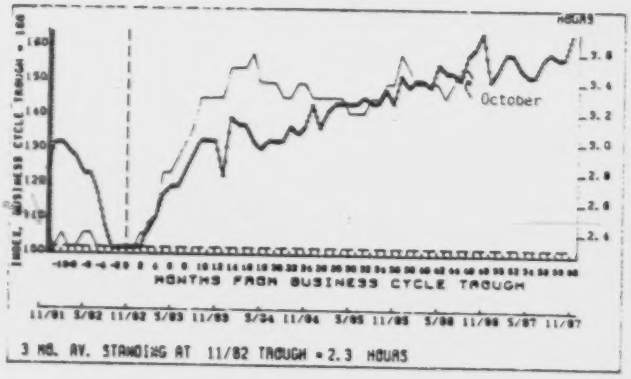
35. VOL. TO INVOL. PART-TIME EMPL. RATIO



36. AVERAGE WORKWEEK, MFG.

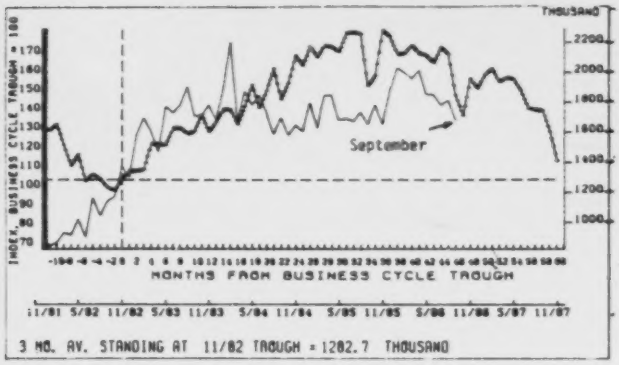

HOURS
INDEX, BUSINESS CYCLE TROUGH = 100
October
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 39.0 HOURS

37. OVERTIME HOURS, MFG.

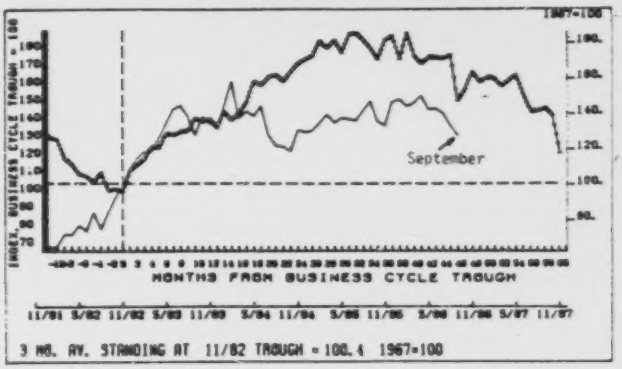

HOURS
INDEX, BUSINESS CYCLE TROUGH = 100
October
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 2.3 HOURS

INVESTMENT COMMITMENTS AND INVENTORIES

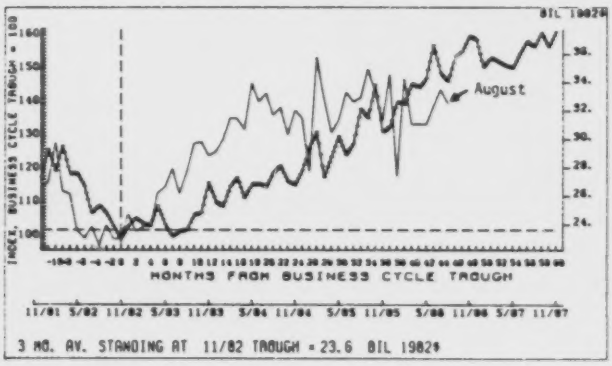
38. NEW PRIVATE HOUSING STARTS


THOUSAND
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 1282.7 THOUSAND

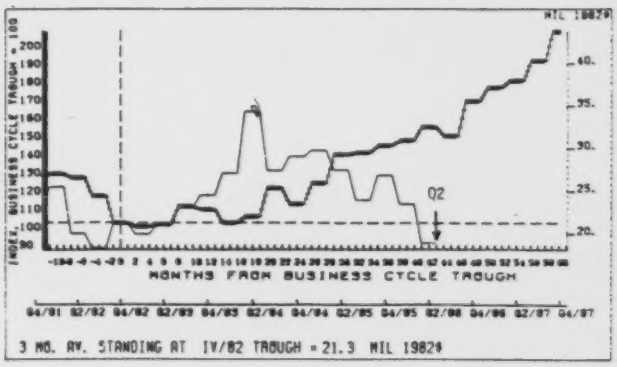
39. NEW PRIVATE HOUSING PERMITS


1967=100
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 100.4 1967=100

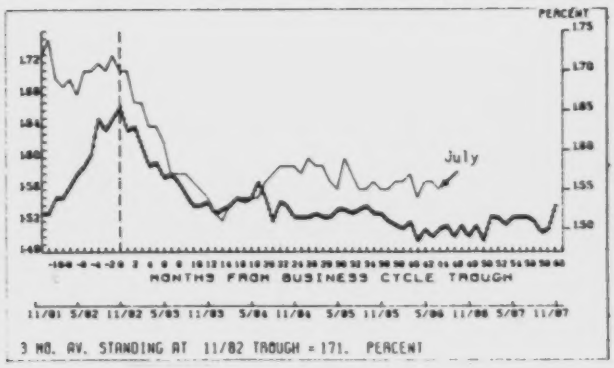
40. CONTRACTS & ORDERS, PLANT & EQUIP.


BIL 1982$
INDEX, BUSINESS CYCLE TROUGH = 100
August
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 23.6 BIL 1982$

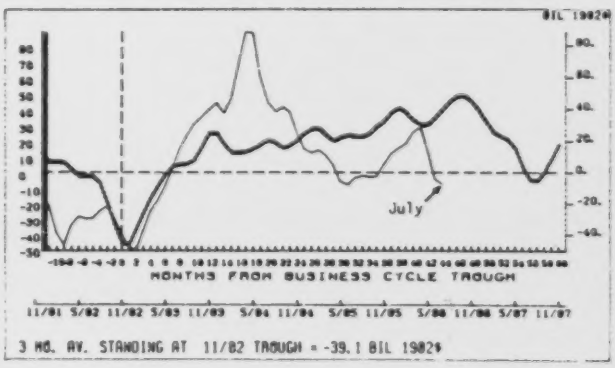
41. NEW CAPITAL APPROPRIATIONS, MFG.


MIL 1982$
INDEX, BUSINESS CYCLE TROUGH = 100
Q2
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT IV/82 TROUGH = 21.3 MIL 1982$

42. INV./SALES RATIO, MFG. AND TRADE

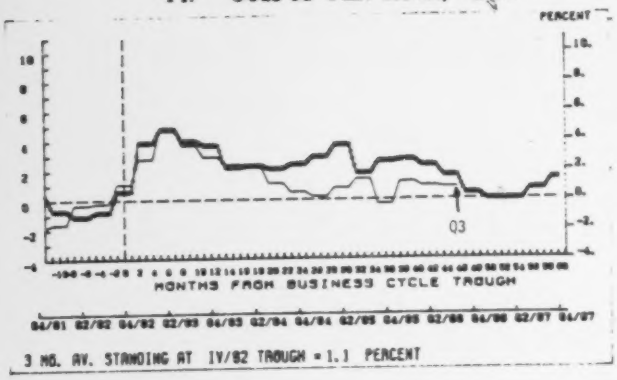


43. CHANGE IN INV. ON HAND & ON ORDER



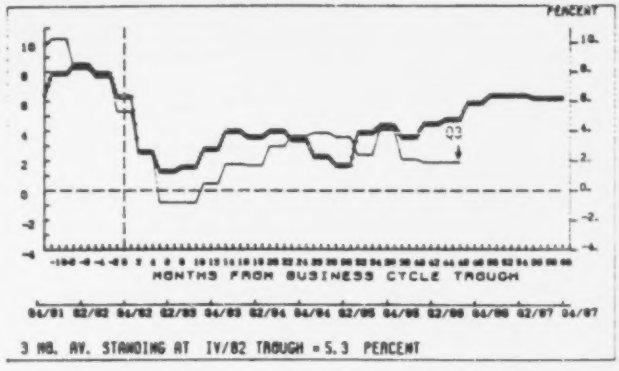
PRODUCTIVITY, WAGES, COSTS, PRICES AND PROFITS

44. OUTPUT PER HOUR, G.R.



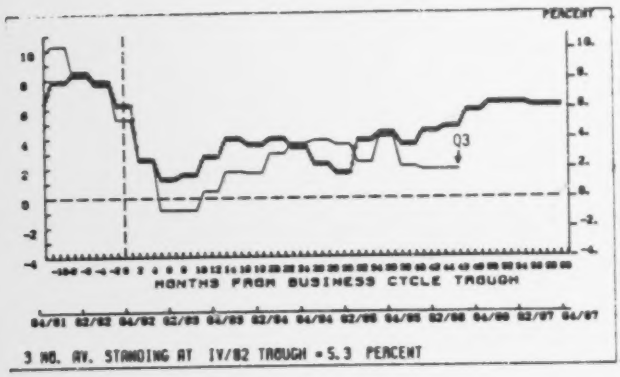
3 MO. AV. STANDING AT IV/82 TROUGH = 1.1 PERCENT

45. UNIT LABOR COSTS, G.R.



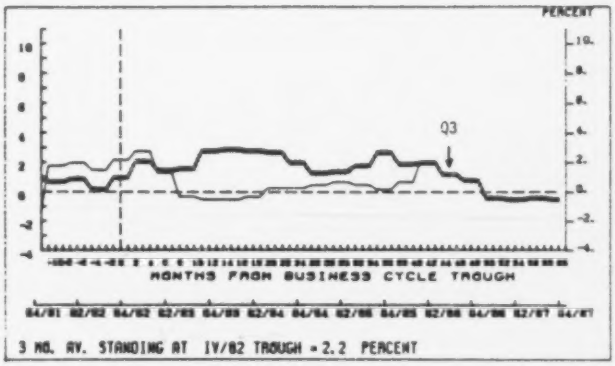
3 MO. AV. STANDING AT IV/82 TROUGH = 5.3 PERCENT

46. HOURLY COMPENSATION, G.R.



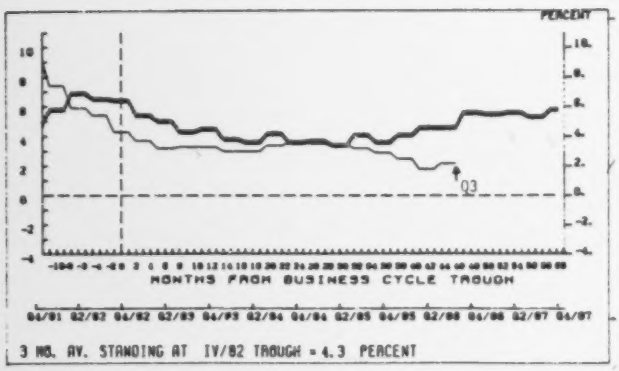
3 MO. AV. STANDING AT IV/82 TROUGH = 5.3 PERCENT

47. REAL HOURLY COMPENSATION, G.R.



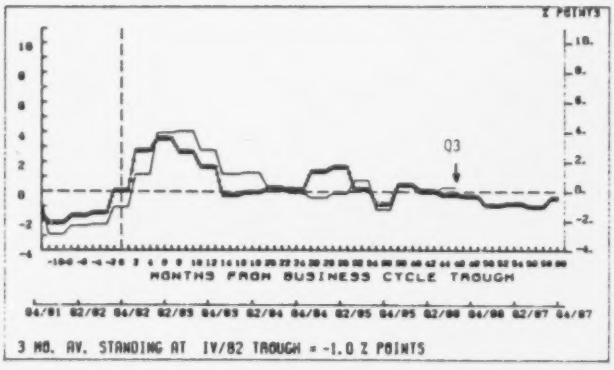
3 MO. AV. STANDING AT IV/82 TROUGH = 2.2 PERCENT

48. SELLING PRICE INDEX, G.R.



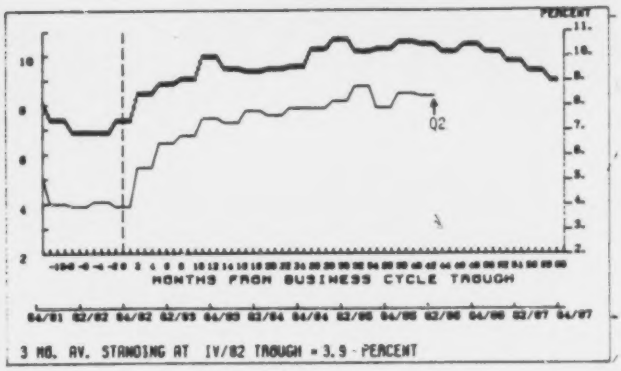
3 MO. AV. STANDING AT IV/82 TROUGH = 4.3 PERCENT

49. G.R. IN PRICES MINUS G.R. IN COSTS

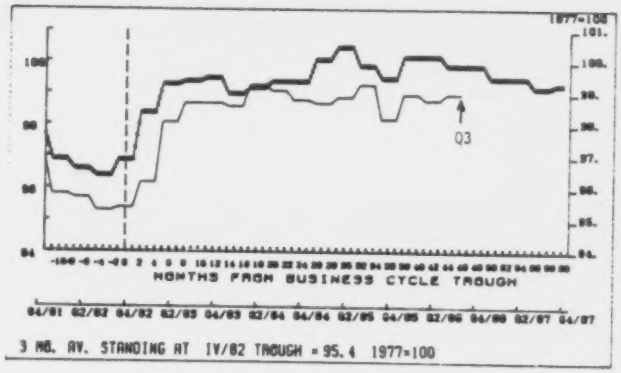


3 MO. AV. STANDING AT IV/82 TROUGH = -1.0 % POINTS

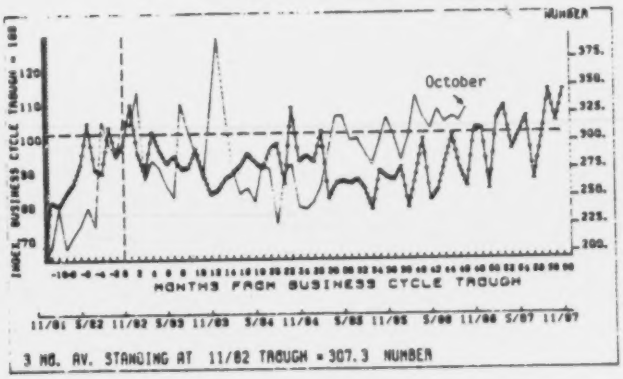
50. CORPORATE PROFIT MARGIN



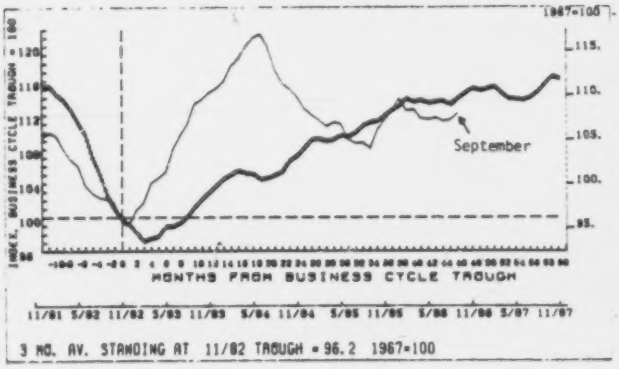
51. PRICE/LABOR COST RATIO



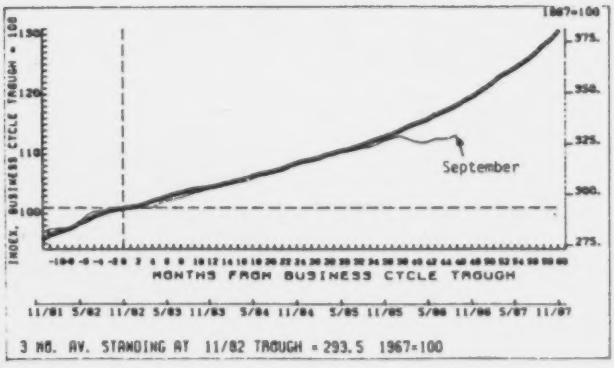
52. LARGE BUSINESS FAILURES


NUMBER
INDEX, BUSINESS CYCLE TROUGH = 100
October
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 307.3 NUMBER

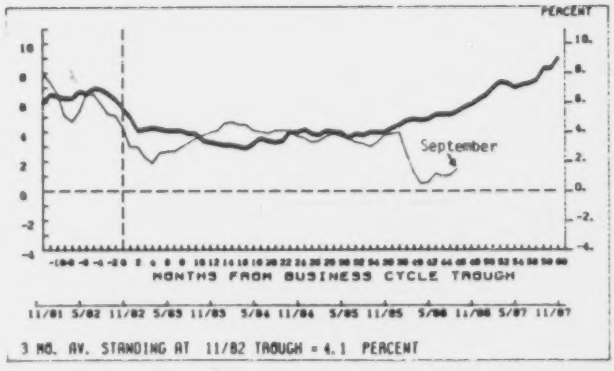
53. LEADING INDEX OF INFLATION (CIBCR)


1967=100
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 96.2 1967=100

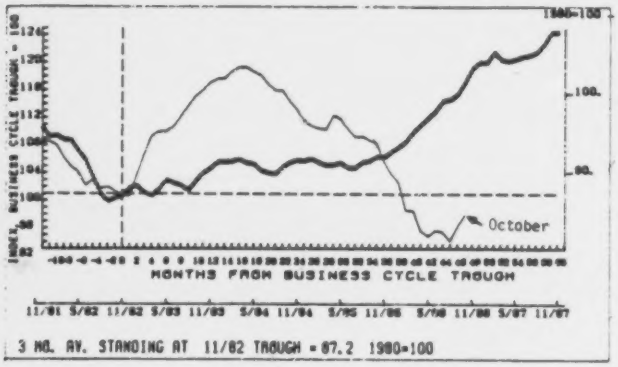
54. CONSUMER PRICE INDEX


1967=100
INDEX, BUSINESS CYCLE TROUGH = 100
September
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 293.5 1967=100

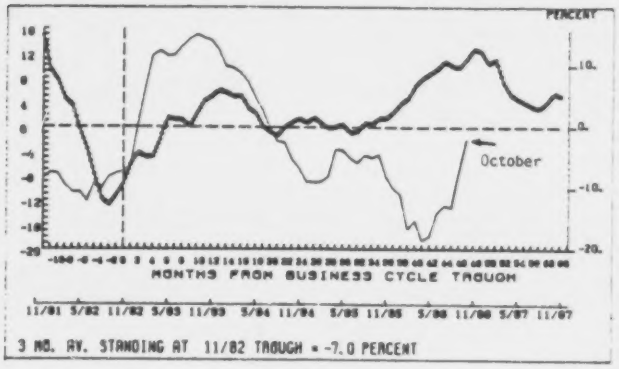
55. CONSUMER PRICE INDEX, G.R.



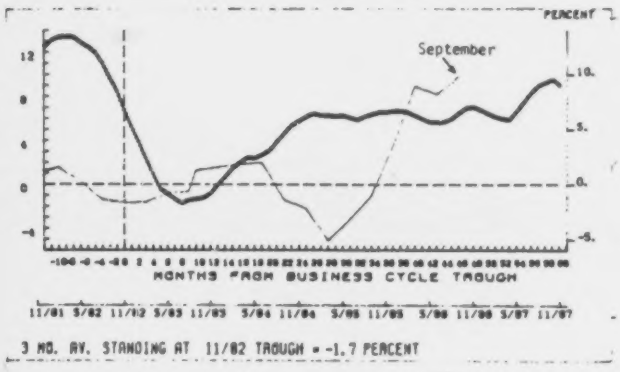
56. INDUSTRIAL MATERIALS PRICE INDEX



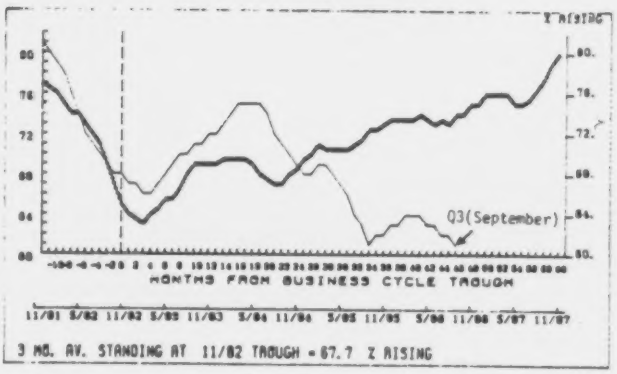
57. INDUS. MATERIALS PRICE INDEX, G.R.



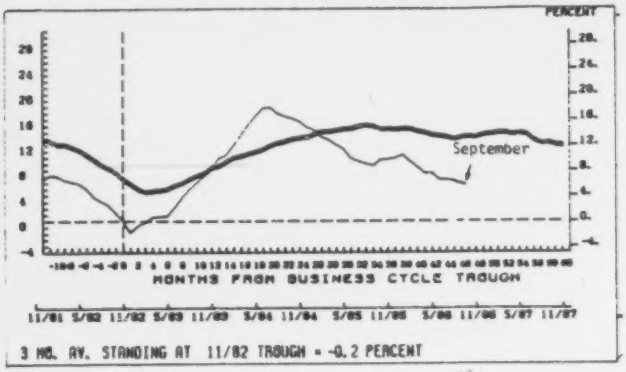
58. IMPORT PRICE INDEX (EXCLUDING FUELS), G.R.



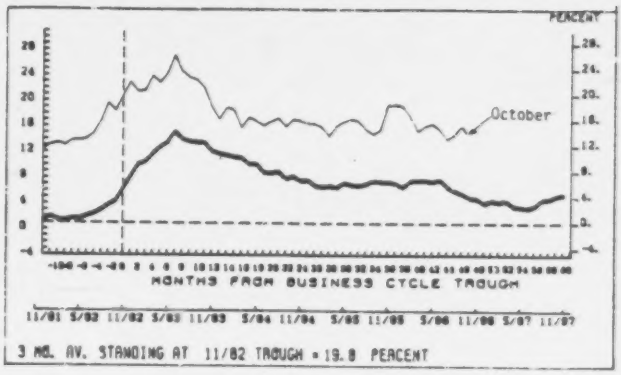
59. BUSINESSMEN'S ANTICPATED SELLING PRICES (SURVEY)



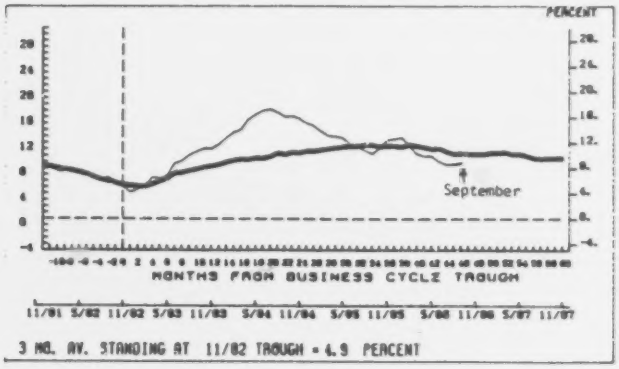
60. BUSINESS & CONSUMER DEBT, G.R.



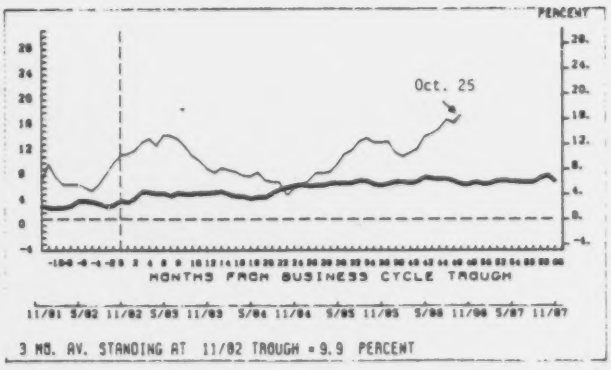
61. FEDERAL DEBT, G.R.



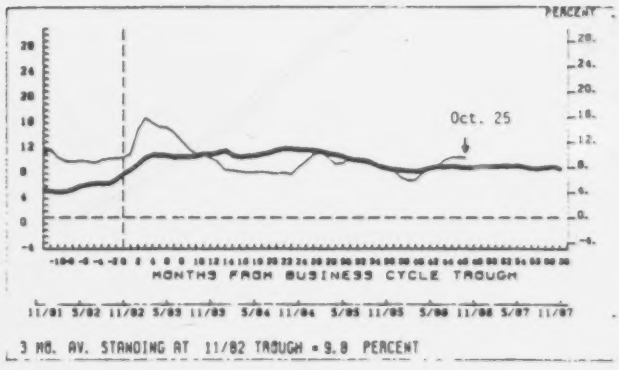
62. TOTAL DEBT, G.R.



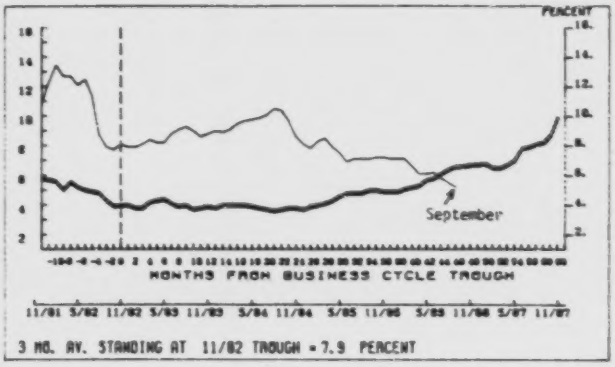
63. MONEY SUPPLY (M1), G.R.



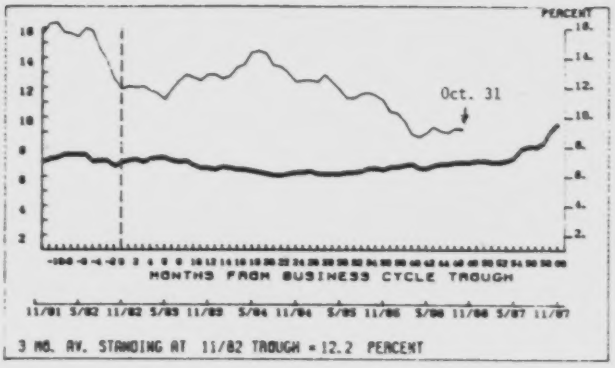
64. MONEY SUPPLY (M2), G.R.



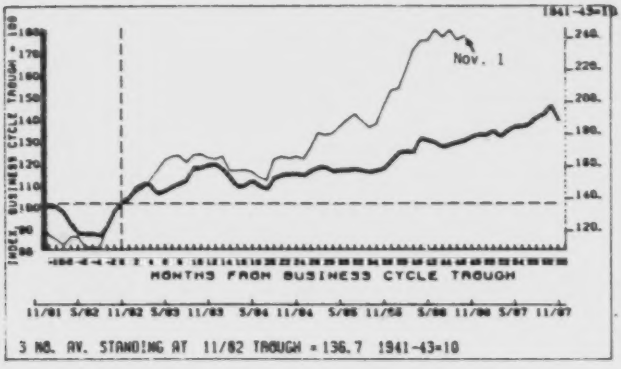
65. TREASURY BILL RATE (3-MONTH)



66. NEW CORPORATE BOND YIELD (AA)



67. COMMON STOCK PRICE INDEX (S&P 500)


1941-43=10
Nov. 1
INDEX, BUSINESS CYCLE TROUGH = 100
MONTHS FROM BUSINESS CYCLE TROUGH
3 MO. AV. STANDING AT 11/82 TROUGH = 136.7 1941-43=10

CIBCR

RECESSION-RECOVERY WATCH...

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Center for International Business Cycle Research
Uris Hall, Columbia University
New York, NY 10027
Telephone: (212) 280-2916

ABOUT THIS REPORT

RECESSION-RECOVERY WATCH is a bimonthly report designed to analyze current business cycle trends in terms of previous recession or recovery patterns in the United States.

This report was begun in August 1979, under the direction of Dr. Geoffrey H. Moore, following the methodology for measuring recessions developed at the National Bureau of Economic Research. Although no forecasts are made, the materials in this report do permit glimpses into the future: first by analyzing the behavior of various leading indicators; second, by indicating what is likely to happen in terms of what did happen in previous recessions and recoveries.

The leading indicators used in this report are relevant to future output and employment because they represent actions taken, like the placing of orders, that will result in future output, or because they reflect factors, like profits, that influence future decisions on output. The record of what happens during the latter stages of business cycles is relevant because of the family resemblance among successive cycles, a resemblance that has its origin in the processes by which business cycles are generated. Every business cycle has its own surprises, partly because of policy actions taken, but many developments are not surprising, having occurred many times before. The historical comparisons contained in this report help one anticipate what is typical and distinguish it from the unusual.

A 1986 Supplement to Recession-Recovery Watch contains a detailed set of tables analyzing the behavior of all the indicators in this report during each cycle from 1948 to 1985.

Other CIBCR publications include International Economic Indicators, a monthly 70-page data compilation on leading and coincident indicators for nine industrial countries. Monthly press releases are issued on a leading index of inflation and a leading employment index for the United States.

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